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Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

S/013/0011

0003

September 30, 2009

Mark Neilson
Castle Peak Exploration LLC
523 E. Harvest Moon Drive
Pleasant Grove, Utah 84062

Subject: Acceptance of Amended Notice of Intention – Additional Surety Required, Castle Peak Exploration LLC, Castle Peak Project, S/013/00011, Duchesne County, Utah

Dear Mr. Neilson:

The Division has reviewed your amended Notice of Intent for the Castle Peak Small Mine project and finds the amended Notice complete. On September 24, 2009 we received your amendment to your Small Mine Notice of Intent for the Castle Peak project. The referenced Amendment is complete with the exception of the reclamation bonding requirement. The reclamation surety is determined to be \$12,000. We need to receive an additional \$ 6,100, as reclamation surety and amended Reclamation Contract. This was determined based on:

**Small Mine Operation Bond
Calculation Worksheet S/013/0011
5-year escalation (2014)**

Item	Qty	Unit Cost	Total Cost
1st Acre Disturbance	1	\$7,600.00	\$7,600.00
Add'l Acres Disturbance	1	\$4,400.00	\$4,400.00
TOTAL			\$12,000.00

Please submit the reclamation surety and reclamation contract within the next 30 days. No mining related disturbance can be created until the surety is received and approved, and you have received written acceptance from this office as well as other applicable agencies.

The reclamation surety can be submitted in one of several forms, including, an irrevocable letter of credit, a certificate of deposit, cash or a surety bond.

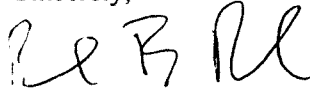


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S/0130011
September 30, 2009

Please contact Penny Berry at (801) 538-5291 or e-mail bondcoordinator@utah.gov for assistance in completing this requirement. Thank you for your cooperation. When in the area, a member of the Division staff will examine the site. In reply, please refer to file number S/013/0011.

Sincerely,

A handwritten signature in black ink, appearing to read 'P B Baker', written in a cursive style.

Paul B. Baker
Minerals Program Manager